

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

November 16, 2011

**Consideration and Approval of an Award Revision to Various Qualified Residential Rental
Project Resolutions**
(Agenda Item No. 5)

ACTION:

Approve the revision to various CDLAC Resolutions for the purpose of releasing the performance deposit without forfeit.

BACKGROUND:

Over time, the Committee has awarded private activity bond allocation to multiple Projects that have recently issued their bonds. However, some of these Projects did not issue 100% of the awarded allocation amount, yet greater than 80% of the allocation awarded. Under Section 8869.84(e) of the California Government Code, for any awarded allocation amount not issued, a proportional share of the applicant/issuer's performance deposit shall be subject to forfeiture to CDLAC.

DISCUSSION:

Projects often encounter justifiable reasons for issuing bonds in amounts slightly less than the original awarded allocation amounts from CDLAC. To avoid a forfeit, staff recommends revising the current CDLAC Resolutions for the Projects, listed below, to reflect the actual amount used.

RECOMMENDATION:

Staff recommends approval of a revision to the CDLAC Resolutions for all eight (8) projects listed below:

<u>Reso. #</u>	<u>App.#</u>	<u>Project Name</u>	<u>Orig. Resolution Amount</u>	<u>Revised Resolution Amount</u>
11-32	11-078	Yucaipa Senior Terrace Apartments	\$6,500,000	\$6,100,000
11-45	11-025	Fountain and La Brea Apartments	\$62,000,000	\$54,535,000
11-129	11-044	Keller Plaza Apartments	\$17,310,508	\$15,883,000
11-80	11-082	Taylor Oaks Apartments	\$7,000,000	\$6,300,000
11-93	11-099	Hemlock Family Apartments	\$9,510,497	\$8,858,497
11-87	11-092	Pinole Grove Senior Housing Apts.	\$4,800,000	\$4,300,000
11-89	11-095	Lakeside Village Apartments	\$100,000,000	\$91,000,000
11-70	11-084	Valley Commons East Apartments	\$3,500,000	\$3,250,000

Prepared by Richard C. Fischer